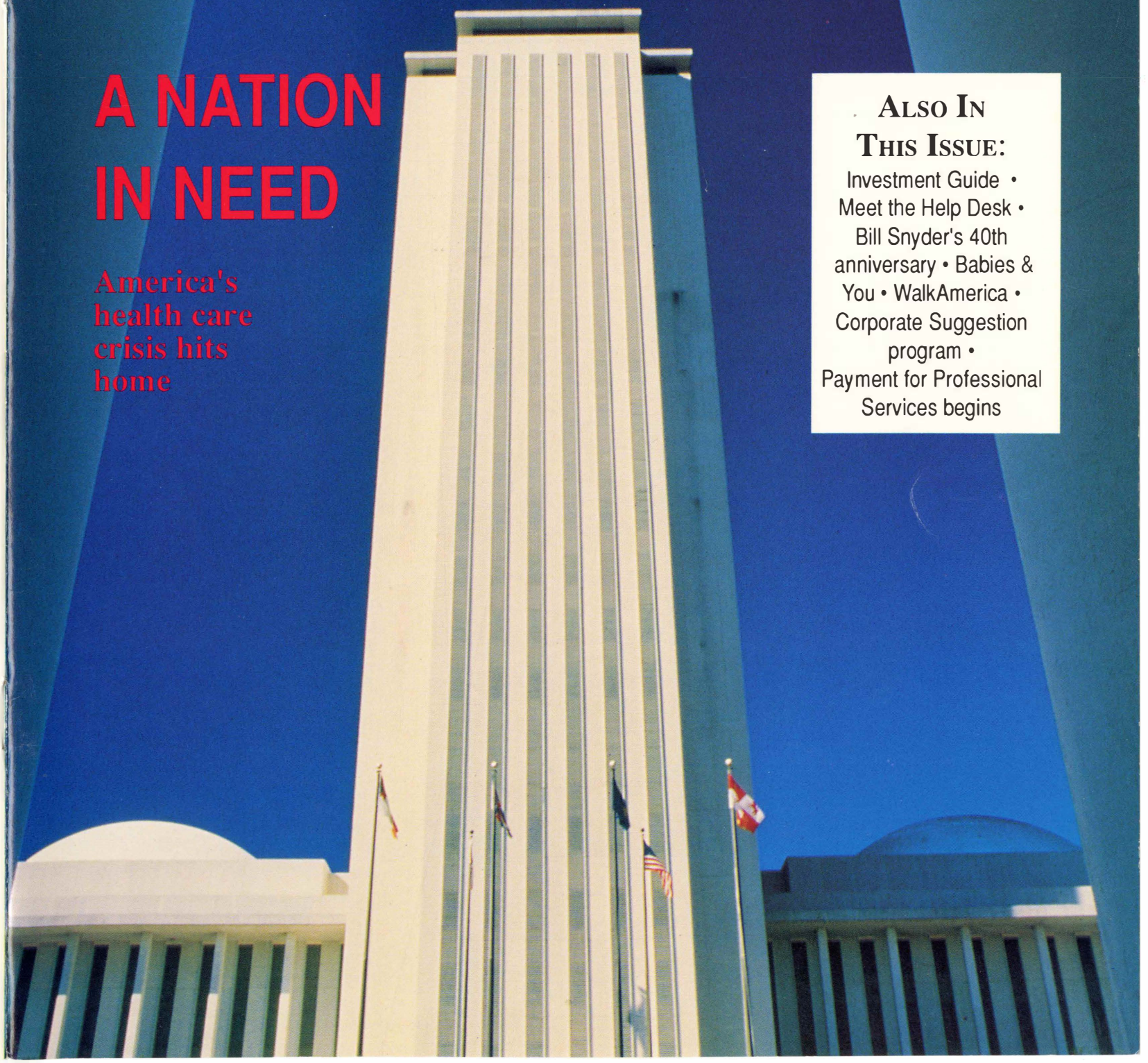
PROFILE

For the employees of Blue Cross and Blue Shield of Florida

April 1990



A NATION IN NEED

America's health care crisis hits home

Also In This Issue:

Investment Guide • Meet the Help Desk • Bill Snyder's 40th anniversary • Babies & You • WalkAmerica • Corporate Suggestion program • Payment for Professional Services begins

PROFILE

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Blue Cross Blue Shield of Florida

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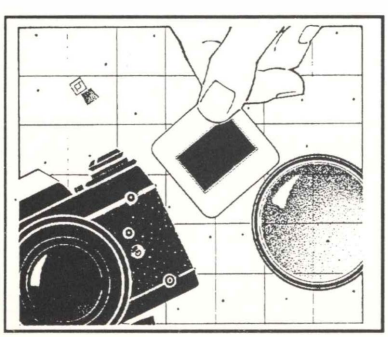
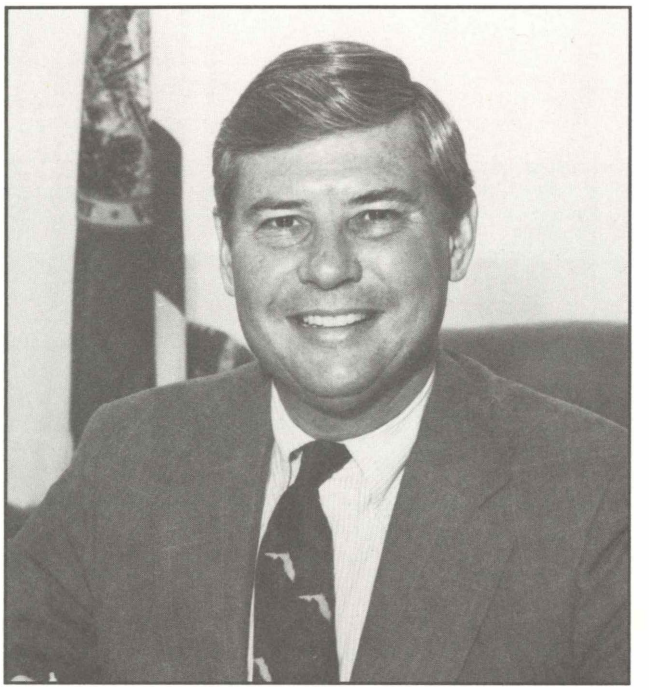


All articles, photographs and story ideas can be submitted to Profile, c/o Public Relations, 532 Riverside Avenue, Jacksonville, Florida 32202.

On The Cover
The Capitol Building in Tallahassee. Photography: courtesy of the Florida Department of Commerce, Division of Tourism.

FROM THE TOP



Dear Friends:

Thank you for the opportunity to share my thoughts about health care -- one of the top issues in America.

A key challenge today is to shift our federal focus in health care from illness to wellness. In the past, preventative health care has not been a federal priority. The main goal of our federal health system -- Medicare and the Veteran's Administration -- has been to respond to medical problems, not to prevent them. Likewise, the rewards of our health care system tilt toward crisis medicine.

It is not surprising that much of the initial pressure for prevention has been directed at older Americans. I support a federal strategy of eventually expanding the emphasis on prevention to all ages of the population.

Prevention is humane and much less expensive compared to intervention after catastrophic illness. For example, hypertension medication costs between $300 and $600 a year per patient. A stroke or kidney failure -- two common developments of unchecked hypertension -- can cost $15,000 a year for basic nursing home care or as much as $30,000 a year for kidney dialysis.

We know that available resources for health insurance are limited, not limitless. We must make sure that our health care dollars are spent wisely, which underscores the need for an expanded emphasis on prevention.

With kind regards,

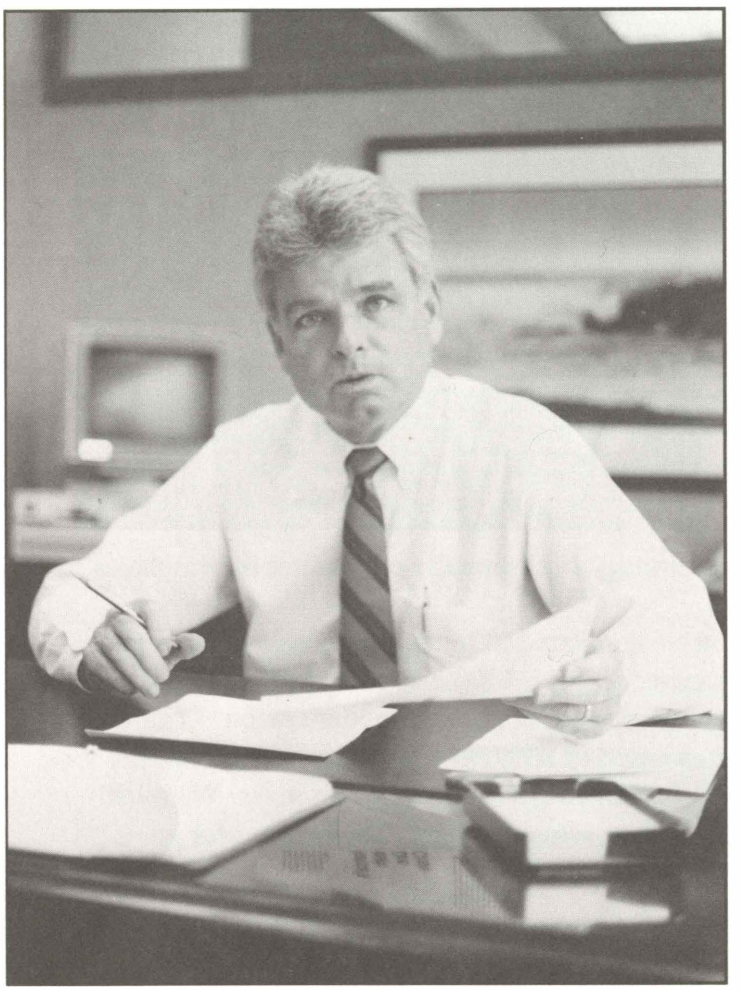
Sincerely,

United States Senator

Special thanks to Senator Bob Graham for his letter. Senator Connie Mack will present his views in a future issue of Profile.

United States Senate
WASHINGTON, DC 20510

More and more Americans can't afford health care. In Florida, almost 2.2 million people are uninsured and the numbers are growing. As the situation becomes more complex, one thing is clear: Blue Cross and Blue Shield of Florida must help find a workable solution to



Thomas E. Albright is Senior Vice President and Chief Marketing Executive of Blue Cross and Blue Shield of Florida.

America's Health Care Crisis

BY THOMAS E. ALBRIGHT

Access to health care coverage is one of the most critical problems facing society today. For most people, health insurance provides ready access to care. Today, health insurance programs supported by American business provide coverage to 132 million people -- 82 percent of the population under age 65.

However, because of rising health care costs, insurance is becoming too expensive for many. As a result, the number of Americans without health insurance -- either public or private -- has increased markedly.

Access to health care coverage is being denied many Americans -- not because of a shortage of medical professionals or inadequate facilities -- but because the cost of health care insurance is outstripping their ability to pay.

Who are the uninsured?

Presently, about 10 percent of the population under age 65 -- 37 million people -- are uninsured. During the '80s, this number grew by 25 percent -- 38 percent since 1977.

The uninsured, for the most part, are not indigents, although some unemployed would fall in this category. Studies have shown that while the unemployed and the self-employed are key components of this group, the majority of the uninsured are employees of small businesses and their families.

While the uninsured tend to have lower incomes and to be less educated, the vast majority (75 to 88 percent) are members of families with at least one worker. More specifically, 50 percent of the uninsured are in the work force at some level.

Profile of the uninsured

- Half are employed all or part of the year.
- Among those who are working, about two-thirds are either self-employed or employees of firms with fewer than 25 workers.
- 90 percent of the employed uninsured work for companies that do not offer insurance.
- 75 to 88 percent are in a family with at least one worker.
- A third are in families with incomes over twice the poverty line.
- Among full-time uninsured workers, 69 percent earned less than $10,000 in 1985; nearly 92 percent earned less than $20,000.
- "Poor" represents 25 percent of the uninsured.
- Less than 4 percent of the uninsured are medically uninsurable.

Florida's uninsured population differs slightly from the national pattern. State and local officials estimate that as many as 2.2 million Floridians are uninsured -- about one-fourth of Florida's under-65 population.

Because of its climate, Florida tends to attract more indigents than other states; in addition, immigrants to Florida often arrive without resources to fund insurance. And although there are plenty of low-paying job opportunities for those with basic skills, these jobs rarely offer health insurance coverage.

As a result, about 70 percent of the state's uninsured are employed or the dependents of wage earners. A great majority of uninsured workers -- nationally and in Florida -- are employed by small businesses that historically have been less likely to provide health insurance.

High cost is the primary reason smaller companies can't afford coverage. A number of factors affect small companies:

- Many smaller firms have jobs requiring less skill and paying lower wages, so health insurance is a higher administrative burden.
- Smaller firms face higher per capita premiums for group insurance coverage because risk must be spread over fewer participants.
- After-tax cost to many smaller firms for providing health benefits is higher than for larger firms because of reduced tax advantages.
- Higher turnover rates and seasonal employment practices common to smaller firms force higher administrative costs for coordinating insurance coverage.
- Fixed costs of fringe benefits make it more expensive for small firms to offer health insurance.
- State-mandated benefits add about 20 percent to the premium, further reducing affordability of coverage for small firms.

As a result, small employers find themselves in a bind. They must choose between nothing at all or a benefit package that extracts a major share of their resources. Increasingly, small companies choose to do without.

For the employees of these businesses, choices are equally challenging:

- Should they continue to work for a non-insured employer and hope for the best when it comes to health care -- avoiding illness and injury?
- Do they "pay as they go" for medical services, relying on their paycheck, savings or even loans?
- Do they avoid paying for services?
- Or should they rely on public welfare?
- Should they buy individual coverage, even though it's usually costlier than group plans?
- Or should they change jobs to a company that provides health care coverage in any form or at more affordable rates?

How does health care access traditionally work?

Health care insurance coverage is financed both by the public and private sectors. The private sector covers 66 percent of the population, mainly through benefit programs funded wholly or in part by employers.

The public sector includes about 19 percent, through programs for the old and disabled (Medicare), the poor (Medicaid) and the military.

The private sector also provides health insurance to supplement what Medicare pays for the elderly. The rest have no health coverage.

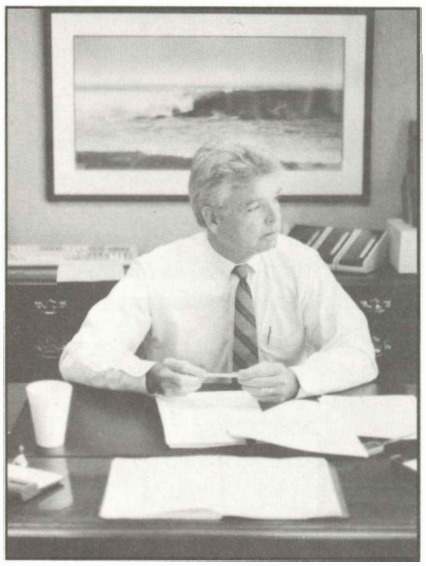
Of course, access to health care is not denied the uninsured. Individual effort and need activate state and local government programs for the medically indigent. This type of access frequently shows up in medical statistics as "uncompensated" or "unsponsored" care.

Studies indicate that access for the uninsured is neither certain nor as complete as it is for those with health care coverage. In 1986, for example, the Robert Wood Johnson Foundation found that the uninsured had 27 percent fewer ambulatory visits and 34 percent fewer hospital stays than people with public or private coverage.

It appears that the uninsured tend to resolve the problem of access by limiting their need for health care. The question is: at what price to their personal well-being?

What does health insurance cover?

Health benefit plans currently available provide a wide range of coverages. Many businesses and



According to a National Center for Policy Analysis report, a major reason why so many people lack health insurance is that state government regulations are increasing the costs of insurance and pricing millions of people out of the market for insurance.

groups, independently and through their insurers, already have developed and adopted plans that uniquely reflect the characteristics of employees, local and regional practices, preferences and priorities, and other variations involving coverages and cost.

Various options also are available, some at extra cost, that permit additional fine-tuning of benefits. In recent years, however, another layer of benefits has been added to the basic coverages provided by employers. These are the mandated benefits, dictated by state and federal laws, which require health insurance policies to cover specific diseases and specific health care services and providers.

In 1970, there were 30 mandated health insurance benefits dictated by the laws of various states. By 1988, the number had increased to 686. Additional mandated benefits have been proposed in recent legislation.

How costly are mandated benefits?

State and federally mandated benefits force insurers to provide customers with coverages they don't necessarily need or want. The additional cost of supplying mandated benefits increases premium expenses for employers and for employees. In some instances, employers have responded to increased cost of coverage, and accompanying administrative cost hikes, by discontinuing insurance coverage. And, some medium and large firms self-insure their health plans to avoid mandated benefits.

Mandating coverage of benefits and providers is costly to Floridians because it increases the number of providers and the use of service, and it limits the appeal and success of cost-saving alternative financing and delivery systems of health care.

Experience from Florida and other states with mandated coverages indicates these mandates increase costs per service, use of the service, and the number of providers of the service.

As a result, the total cost of health insurance has increased, and health insurers have been forced to increase rates to meet higher costs. The health care consumer bears the burden of increased costs. As rates increase, it becomes more likely that some people will not be able to afford health insurance. Thus, access to health care is reduced.

What's the trend in state-mandated benefits?

The National Center for Policy Analysis (NCPA) reports steady broadening of mandated health insurance coverage to include services of:

- Chiropractors in 37 states.
- Acupuncture in three states (including Florida).
- Naturopaths (specialists in prescribing herbs) in two states.

In addition:

- Laws in 40 states mandate coverage for alcoholism.
- 20 states mandate coverage for drug addiction.
- 30 states require coverage for mental illness.
- 5 states mandate coverage for in-vitro fertilization.
- At least one state mandates coverage for wigs.

Other services and the number of states mandating:

Psychologists (37)
Optometrists (31)
Dentists (27)
Podiatrists, chiropodists (25)
Nurse midwives (20)
Other nurses: including nurses, nurse practitioners, nurse anesthetists (16)
Social workers (14)
Psychiatric nurses (6)
Physical therapists (5)
Professional counselors: marriage, family and child (4)
Speech/hearing therapists (4)
Occupational therapists (3)
Pharmacists (1)
Dieticians (1)

Further reports indicate that ten states require insurers to cover outpatient care, and another ten require home health care coverage.

Can mandated coverage be avoided?

The high cost of regulated coverage has resulted in the trend toward self-insurance. Most large companies and many medium-sized companies have opted out of the system and provide insurance benefits using their own resources. In doing so, they bypass mandated benefits, and can tailor plans consistent with the needs of a majority of employees more affordably.

Also, these companies can usually avoid state taxes on premiums because of their self-insured status.

Self-insured companies are not the only groups exempt from state-mandated coverages. Federal law exempts federal employees and those covered by Medicare. Some state governments also exempt their employees and Medicaid patients.

The impact of these exemptions means that the cost of mandated benefits is being borne by a decreasing number of people and the market for health care insurance is steadily shrinking.

Mandated coverage puts small businesses at a disadvantage

All insured health plans are required by law to include mandated benefits; self-insured plans need not include coverage for mandated benefits. This situation threatens small firms by making it more expensive for them to provide coverage. As a result, many small firms do not offer coverage to their employees.

As of 1985, about one-half of Americans covered by health benefits were insured by programs exempt from mandates. The national trend is reflected in Florida where half the people covered by health insurance were exempt from mandated benefits, including:

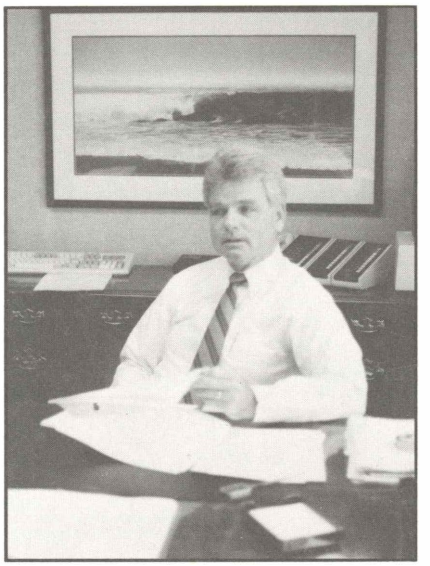
- Employees of national firms with corporate headquarters in other states -- 32 percent of all group health subscribers in Florida.
- Employees of self-insured companies -- 36 percent of Florida's firms with more than 100 employees.
- Floridians whose health insurance is provided by Medicare or Medicaid -- 2.1 million people.
- Federal employees and retirees -- 500,000 people.
- Military retirees and dependents -- 500,000 people.
- State employees -- 125,000 people.

Despite Florida's high national rankings as a pro-business state, its mandated coverages have a negative impact on business here, for several reasons. Most health insurance is purchased by employers on a group basis, including agreements reached in collective bargaining. Usually, the cost of health insurance is part of a total wage benefit package. When mandating occurs, the cost of this coverage becomes a non-negotiable item. The employee must take the mandated health benefits, the employer must purchase them, and the health insurer must sell them even if nobody wants them. The money thus committed by law is unavailable to pay for other benefits that employees may want more and which the employers may decide is more important to provide.

Consequently, with Florida's government assuming a decision-making role by mandating benefits, a negative signal is being sent to both out-of-state and in-state audiences. The upshot is this: national and international corporations may be less likely to choose Florida, and Florida's own companies may have less incentive to expand within the state.

Elements of a good solution

With state-mandated benefits severely affecting affordability of insurance for companies of all sizes ... with larger companies switching to self-insurance because of the same affordability question ... with the potential customer base for insurers being depleted by the emergence of self-insurance and termination of coverage by smaller companies, how then can health care accessibility for a growing number of uninsured Floridians be improved?



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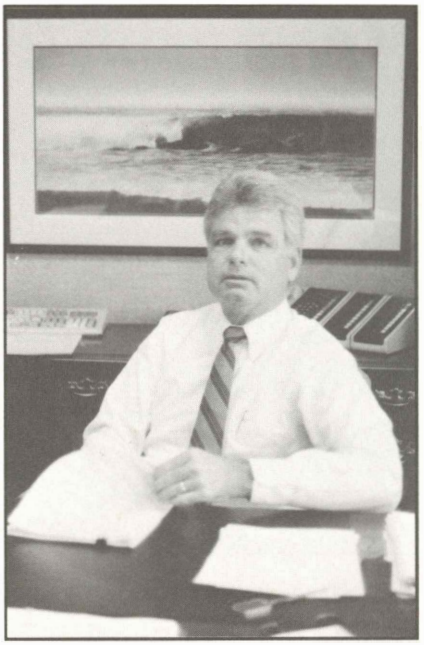


Costs versus benefits must be carefully analyzed in order to slow down the rising health care costs that make access to health care coverage unaffordable for many American businesses.

Because of the variety of factors responsible for the lack of universal coverage, there is a need for a variety of specific responses -- not just one.

Small employers cite affordability as the major reason for not making available health insurance to employees. Any solution should provide insurance companies more flexibility to provide lower cost health benefit packages for these small companies.

An effective solution should mix the best elements of private and public financing. It would encourage more affordable benefit plans by eliminating state-mandated benefits. It would also provide incentives to small employers to provide health coverage by granting tax exemptions. Elements of an effective solution:

- It should be cost effective (possibly via managed care arrangements).
- It should provide coverage for basic, medically necessary procedures.
- It should include protection against catastrophic losses.
- There should be incentives for insureds to make the best treatment choice.

BCBSF recommendations

We've developed an approach that meets all of these elements of an effective solution. The basis of our recommendation rests on improving the efficiency of our existing health care systems. These improvements would allow market forces to operate more effectively.

The key element of our recommendations is to remove all the state and federal laws that mandate benefits. Insurance companies would then be free to market more basic plans. Such plans could cover essential hospital and physician care. A catastrophic plan for protection against excessive expenses would also be possible. These plans would include basic inpatient and outpatient physician, hospital, and diagnostic services. Additional services, such as dental, could be optional and offered in some of the programs in exchange for higher co-payments. Managed care would be a necessary component to help control costs. Employers would be free to purchase the plan of their choice from any private insurer.

At the state level, the Florida legislature should not adopt any new mandated benefits, and it should eliminate existing mandates.

Tax incentives

We also recommend providing tax incentives to small employers who provide coverage. The self-employed and unincorporated businesses deserve the same tax incentives to purchase coverage that are available to other employers.

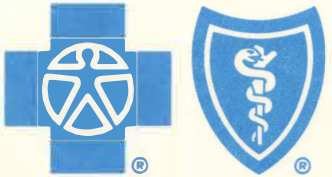
These businesses can currently deduct only 25 percent of the cost of providing health benefits. In contrast, incorporated businesses can deduct 100 percent of their health benefit costs. If tax treatment of employers were equalized, it would provide greater incentive for the self-employed and for unincorporated businesses to offer health benefits.

Expanding Medicaid

We also believe consideration should be given to expanding the Medicaid program to cover working individuals and their families when their income falls below $10,000 per year. Some sort of buy-in to the Medicaid system based upon ability to pay should be available to these people.

These Medicaid eligibility changes would increase health benefits protection and help to break the cycle of welfare dependency by providing individuals with the assurance that they would not risk losing health coverage upon employment.

These alternatives allow for expanding coverage without the intrusiveness of inflexible mandates. Most important, preempting state mandates and providing tax incentives to small businesses who provide health insurance would greatly increase access to health care for the growing number of people who presently must fend for themselves. ■



Blue Cross
Blue Shield
of Florida

OBJECTIVES

Excellent Service

Provide to our customers predictable, understandable, hassle-free service that is consistent with their expectations at purchase and that minimizes the need for customer involvement with payment to providers.

Financial Strength

Maintain Blue Cross and Blue Shield of Florida as a financially strong and competitive organization.

Market Share

Attain dominant private market share consistent with financial soundness, delivery of superior service and our overall provider strategy.

National Association

Support a strong, effective national organization of Plans.

Organizational Effectiveness

Develop and maintain an effective, highly motivated and productive organization.

Provider Relationships

Create sustainable competitive advantage through effective business relationships with providers.

Public Understanding

Gain public and governmental understanding, acceptance and support of corporate policies, programs and actions.

Behind The Scenes At The 1990 Legislature: Critical Issues For Blue Cross And Blue Shield Of Florida

In April, as the Florida state legislature opens its 1990 season, its members face the challenge of balancing the increasingly critical needs of the state with the political considerations imposed by the upcoming November elections. The legislature returns to work confronted by a host of issues. The state revenue deficit is estimated by some to be as much as $1 billion, the economy seems less vibrant, and a handful of current trustfunds -- including education, the state employees' health insurance, indigent care and transportation -- are underfunded.

The combination of issues and elections facing state lawmakers will have a critical impact on Blue Cross and Blue Shield of Florida's political and legislative strategies during 1990 and beyond. We must consider the political and economic pressures when we develop and implement the strategies to achieve our company's objectives.

Our key objectives are to reduce the corporate tax burden, prevent further restriction on the way we do business, increase access to health care, and increase our influence on health care matters.

We must take the initiative and assume a leadership role in shaping public policy, or else have the issues decided for us. This is what we must accomplish in the coming months:

Reduce or at least prevent an increase in the current corporate tax burden

Because of the increasing fiscal pressure on the legislature, we must be aggressive in protecting against further increases in our tax burden. We must educate key legislators on the economic impact increased taxes would have on our corporation -- and what that increase would mean to our policyholders. We must emphasize the fact that increased taxes mean increased premiums, which make health insurance more expensive. As the cost of health insurance rises, more employers and individuals will be unable to afford coverage, thus adding to the number of uninsured and increasing the cost of the state's indigent programs. We also must continue to attempt to reduce our tax burden by broadening the funding base for the State Comprehensive Health Association (SCHA). While the legislature apparently won't consider returning funding for the program to general revenue, the opportunity exists to broaden the funding base to HMOs, self-insureds and other health insurance providers. By taking a leadership role in redesigning the SCHA's benefit and eligibility design, we also helped the legislature reduce the size of the program's future subsidies.

Avoid further legislative restrictions on the manner of doing business

In recent years, the state legislature has shown an inclination to "legislate" how health insurers should do business. From mandated benefits to prompt notification laws, the state government has added to the administrative and claims costs of providing health care coverage. The 1990 legislative session will attempt to further restrict health insurers with a 30-day prompt payment bill, several new mandated benefit proposals and by requiring the licensing of utilization review personnel. All of the bills would add to the cost of doing business and result in higher rates, further limiting employers' and individuals' ability to afford health care coverage.

Promote public policy initiatives that increase access to health care coverage

In order to help deflect attacks on our way of doing business, we must be seen as a partner in the state's efforts to solve the problem of the uninsured. Our leadership role in retaining the SCHA is an example of how we must share our expertise and assist the state. We also must explore ways to implement new programs, such as providing basic health care coverage for indigent children and/or more affordable small group products that demonstrate our willingness to ease the state's uninsured burden. In return, we need to push for fewer or no mandated benefits, which would help reduce premiums.

Enhance political access and our role as a major resource and advisor on health care issues

We must continue to play an active role in the public debate on health care issues. By doing so, we display our interest, commitment and expertise in working with the state to solve its health-care related problems. By becoming part of the solution, it will be much more difficult for state government to restrict or increase the burden of "a member of the team." In addition, other interests (hospitals and provider representatives) will be more apt to work with us rather than against us to propose and support good public policy. ■

NATIONAL NEWS AFFECTING YOU AND THE BLUES

The information and opinions expressed in these articles do not necessarily reflect the views of Blue Cross and Blue Shield of Florida.

The High Cost Of Mandated Benefits

In the United States over the last two decades, about 800 laws have been passed dictating that health insurance must cover specific conditions and must reimburse specific health care providers -- including chiropractors, psychologists and social workers. More than 60 of those laws were passed last year alone.

In Maryland, for example, insurance policies must pay for alcoholics and drug addicts to receive a minimum of seven days of detoxification, 30 days at an inpatient program and 30 outpatient sessions.

The Maryland law is good for the drug and alcohol treatment providers, but bad news for people who pay insurance premiums. Many experts now believe outpatient programs may be just as effective as expensive inpatient treatment for substance abuse.

Not surprisingly, these expensive mandates have forced some businesses to offer no coverage at all. One economist estimates that 16 percent of small businesses offering no health insurance are without insurance because of mandates.

Because self-insured companies are exempt from mandates, about 70 percent of companies nationwide with 1,000 or more employees, and almost 30 percent of smaller firms, have become self-insured.

Legislators love mandates because they allow them to dole out benefits to special interests without directly raising taxes. But there are signs that legislators' love may be waning. Since 1984, 15 states have started requiring that the cost of any new mandates be considered before they are passed, and Nebraska has essentially prohibited new mandates.

What's more, a few states, including Virginia and Oregon, are actually suspending mandates to allow special low cost policies for small businesses that don't have any insurance now.

The Virginia legislature, for example, may waive certain mandated coverages for a new basic health plan designed by Blue Cross and Blue Shield of Virginia that would provide basic health coverage for currently uninsured groups. The average cost for the new insurance for an adult with one child will be $1,644 a year, compared with $3,168 a year for the Plan's standard major medical policy.

These special policies aren't the solution to out-of-control health care costs, but they could help bring basic coverage to some of the nation's 16.6 million uninsured workers, who with their children, account for about 80 percent of the nation's uninsured. -- *Forbes*

Coalition Forms To Fight For Health Care Reform

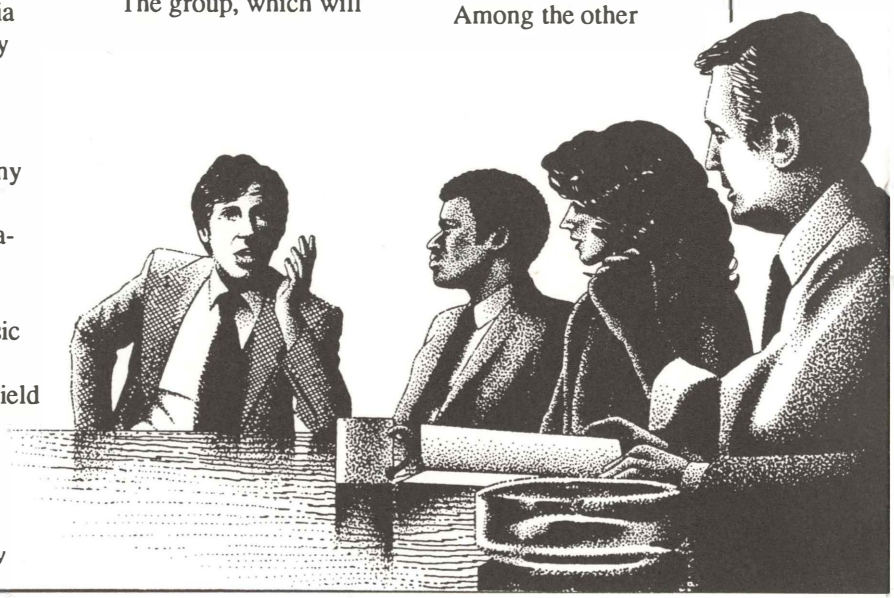
Some of the nation's largest companies, including Marriott Corp., Ford Motor Co., Du Pont Co., and Eastman Kodak Co., have joined with a number of the nation's largest labor unions to enact some form of national health insurance.

The group, which will call itself the National Leadership Coalition for Health Care Reform, held its first meeting last week and immediately voted to focus its attention on government solutions to the nation's health care problems.

Although organized labor has long been an advocate of national health insurance, the new coalition represents the first attempt by major corporations and labor organizations to jointly formulate a unified proposal.

"We want to develop an American plan" for health care, said Peggy Rhoades, executive director of the new group. She said the coalition hoped to have a proposal for a comprehensive, "public-private" health care plan early next year. "This coalition believes the health care system is in crisis... the problem is systemic and is growing worse," Rhoades said.

Among the other



corporations belonging to the coalition are AT&T, AmeriTech, Bell Atlantic Corp., BellSouth Corp., Bethlehem Steel Corp., Lockheed Corp., Equifax Inc., Northwest Airlines, Rubbermaid and W. R. Grace & Co. The group represents some of the biggest non-union employers in the nation.

Union members include the American Federation of Teachers (AFT), the Communications Workers of America, the International Union of Electrical Workers and the United Steelworkers.

Other members of the coalition include the American Association of Retired Persons, the American College of Physicians, the Association of Health Centers and the Families USA Foundation.

Rhoades added that the group is still growing. She said a number of other corporations and unions may join and she soon expected to add to the membership list.

At its first working meeting, the group voted on whether to limit its consideration to private market approaches or to include government intervention as a possible solution to the problem of rising costs and the uninsured. The vote was 17 to 6 in favor of exploring possible government solutions, according to a source familiar with the meeting.

The only union to vote in favor of a purely market approach to health care reform was the AFT, according to the source. -- *The Washington Post*

Fortune 500 Companies Think National Health Insurance Is Inevitable

Sixty percent of U.S. companies are opposed to a national health insurance system, but are evenly divided on how well the current system is working, according to a new survey conducted by Buck Consultants. They found that 47 percent of 271 Fortune 500 companies responding to the survey believe the present system of employer-sponsored health coverage does not deliver quality medical care at a reasonable cost.

Among those who do support a national health plan, 65 percent said they don't think the government could more effectively manage health care costs. "If you look at the Medicare/Medicaid programs, they have grown tremendously and have accelerated as quickly as overall health care costs," said Richard Sinni, director of Buck Consultants' Health Management practice. But "all they are doing to control costs," he said, "is cutting costs without any interest or concern for the quality of care."

Despite widespread opposition to national health insurance, 62 percent said a national program would make health care accessible to all citizens and 76 percent said that a national health insurance program would ultimately be implemented within 10 to 15 years.

Opinions in the survey varied on how to fund national health insurance: 21 percent supported a value-added tax; 18 percent supported a national sales tax; 18 percent supported an increased personal income tax; and 19 percent supported an increase in a combination of taxes.

Larger companies (more than 15,000 employees covered by a medical plan) were more likely to oppose national health insurance than smaller companies (5,000 or fewer employees). -- *National Underwriter*

New York Hospitals Develop Plan

A coalition of New York hospitals has submitted a plan for providing care to millions of New Yorkers who don't have health insurance.

Called Pro-Health, the plan proposed by the Hospital Association of New York State, (HANYS), would use a combination of federal, state and employer contributions to pay for the health care of the state's 2.3 million uninsured. "As health care providers, every day we see preventable human tragedies resulting from a lack of adequate health insurance," said HANYS President Daniel Sisto.

The proposed plan would be implemented in phases, with the first phase covering children up to the age of 6. At the same time, a regional demonstration project would be implemented for youths up to age 20.

The first phase would cost $50 million. When fully phased in, the plan would cost between $1.7 billion and $1.9 billion a year.

Coverage would be paid through a combination of taxpayer-financed programs and employers' insurance. Under the HANYS proposal, employers would contribute to the program either through their own health plans or a special tax. Medicaid eligibility also would be extended to the maximum federal limit.

In addition, the plan would create an independent health services commission to develop and implement the coverage, as well as to control its continued operation. -- *United Press International*

more

The Big Picture

Antonia Novello Named Surgeon General

Antonia Novello was confirmed as surgeon general by the Senate. She is the first woman and the first Hispanic to serve as the surgeon general of the United States.

She succeeds colorful C. Everett Koop in the nation's top health post. Novello is a 45-year-old pediatrician and expert on AIDS in children. She was formerly the deputy director of the National Institute of Child Health and Human Development. -- BCBSA

Taking Care Of Baby

Progress in reducing infant mortality in the United States has stalled, and infant deaths could increase sharply if health trends are not reversed.

A new report by the National Commission to Prevent Infant Mortality said smoking, alcohol consumption and drug use by pregnant women are causes for a significant part of the infant death problem. It said lives and money could be saved if greater access to prenatal and pediatric care were provided to pregnant women and young children.

Progress in reducing the infant mortality rate has slowed from 4.7 percent per year in the 1970s to 2.7 percent per year in the 1980s.

The commission also said a recent rise in infant death rates in big cities such as Los Angeles and Washington suggests that the national rate may start climbing from its current level of 10.1 deaths per 1,000 live births.

The United States already ranks behind 19 other developed nations in its infant mortality rate, according to statistics from 1987, the most recent year available. Japan, Canada, Ireland, Italy, Spain and East Germany are among the countries with lower rates.

The report said that the number of babies born with low birth weights also shows signs of increasing nationally. Low weight infants -- those weighing 5.5 pounds or less at birth -- have high risks of deafness, blindness, mental retardation and other disabilities.

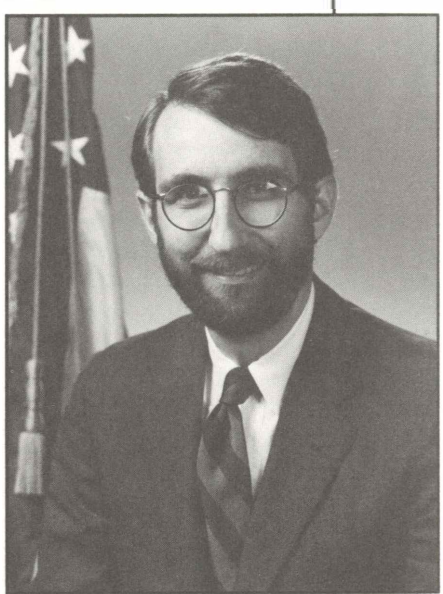
Infant mortality rates vary widely by race in the United States. In 1987, the death rate for white babies was 8.6 per 1,000 live births; for black babies, it was 17.9 deaths for every 1,000 births.

The commission said that race itself was not so much a factor in infant mortality as limited education, high teenage pregnancy rates and poverty.

Commission members said the federal government needs to expand Medicaid so that more pregnant mothers and infants can get adequate care. Senator Bill Bradley, D-NJ, a commission member, introduced legislation that would require states to provide Medicaid services to pregnant women with incomes up to 185 percent of the national poverty line. -- *The Chicago Tribune*

A New Advocate For Children

As chief of the Medicare program, Dr. William L. Roper focused on the 65 and older population. Now, as head of the Centers for Disease Control, a new parent and a pediatrician, Roper says he wants to speak up for children by improving infant mortality rates, immunization protection and other programs.



Recent heads of CDC have been scientists drawn from its own ranks, rather than administrators like Roper, who led other federal agencies and fought their political battles in Washington. One former director of the CDC, Dr. William H. Foege, said

that Roper's knowledge of the Washington bureaucracy could make him the agency's most effective leader. "Whoever understands the budget process has the real influence on health," Foege said.

Roper said he has set his sights on improving education about AIDS; correcting the nation's high infant death rates; immunizing more children and stimulating physicians to focus more on disease prevention.

Roper assumes leadership of the CDC at a time when he and many others believe that the field of public health itself is ailing. Roper said he wants to forge stronger academic ties to attract more younger doctors into the field and to strengthen the scientific base of the agency's work.
-- *The New York Times*

Pepper Commission Can't Reach Consensus

The failure of the bipartisan Pepper Commission to reach a consensus on a plan to provide universal access to medical care suggests that the comprehensive health system changes sought by business, labor and the elderly still may be years away.

After nearly a year of work, the commission split 8 to 7 in approving a proposal designed to extend health insurance to the more than 31 million Americans who lack coverage. The plan would require employers to make affordable insurance available to all employees and non-working dependents, or pay into a public health insurance pool.

The panel voted 11 to 4 to recommend a government-financed long-term care plan that would provide all severely disabled people, regardless of income, with the first three months of nursing home care and up to 25 hours a week of home health care for as long as necessary.

The proposal also calls for "reforms" in the health insurance industry. It would require insurers to base their premiums on the health experience of a community and prohibit insurers from refusing to sell policies to people with health problems.

"We would preempt state health insurance laws," said Senator John D. Rockefeller, D-W.VA., commission chairman.

The Pepper Commission's report received mixed notices. The American Medical Association hailed it. "The American people were the real winners," said Dr. James E. Davis, a former AMA president who was on the panel.

Ron Pollack, president of Families United for Senior Action, an advocacy group for the elderly, said that the report "calls to mind President John F. Kennedy's proposal of Medicare 30 years ago."

But the U.S. Chamber of Commerce called the recommendations "a mixed bag," and said, "We are disappointed by the emphasis on mandated benefits as a solution to the access problem."

Similarly, the Health Insurance Association of America (HIAA) called the report "a blueprint for economic disaster." HIAA warned that the requirement that employers provide health insurance for their employees "could result in increased unemployment and an additional burden on the publicly funded programs."
-- *The Wall Street Journal*

AMA Wants Reform

The American Medical Association (AMA) added its voice to a chorus of calls for reforming the nation's health care system, proposing that employers provide insurance for all workers and the government expand coverage for the poor.

The AMA's 16-point plan follows recommendations made by the bipartisan Pepper Commission, which called for a slightly different form of mandated employer insurance combined with an expanded public program.

However, the AMA stopped short of joining the congressional panel in proposing a government program to cover long-term care, calling instead for tax incentives to encourage private insurance for nursing home stays.

"The AMA intends to move forward vigorously in the coming year to join all interested parties in a dialogue to strengthen the American health care system and provide high-quality care at reasonable cost for every American," said AMA President Dr. Alan Nelson.

While prospects appear dim for major health legislation, congressional sources who work on health issues said the AMA's proposal for universal access would be significant, particularly because of the group's influence with Republicans.

"This AMA report is just what the doctor ordered," said Edward Kennedy, D-Mass., the sponsor of legislation to require employers to provide insurance for employees who work more than 17 and a half hours a week.

Under the AMA plan, employers would be required to provide health insurance for full-time employees and their families. Small business would be given tax breaks to help them afford such coverage.

State insurance risk pools would be created to help people who cannot buy insurance because of pre-existing conditions, and "major" Medicaid reforms would expand coverage to all people below the poverty level.

The AMA program would restore catastrophic coverage to Medicare through individual and employer taxes instead of contributions by seniors -- while making cuts to keep the program actuarially sound.

Costs under the plan would be held down by "practice parameters" devised by doctor groups, less state regulation, and -- not surprisingly -- reductions in the cost of malpractice insurance.
-- *United Press International*

EDUCATION AND ELUCIDATION FOR INQUIRING MINDS IN THE ORGANIZATION

Interested In Investing?

(A beginner's guide to making investments)

By Dave Dunnewald*

The four pillars of financial security are: an emergency cash fund, a properly drawn will, insurance for you and your assets, and investments. Once you've taken care of the first three steps, financial planners suggest you set specific goals and determine your tolerance for risk. Then start looking for investments that will allow you to achieve your financial goals. All investments fall into one of two general categories: lending or ownership.

This article will focus on the varieties of lending investments available for you. (We'll explore ownership investments next time.)

Lending Investments

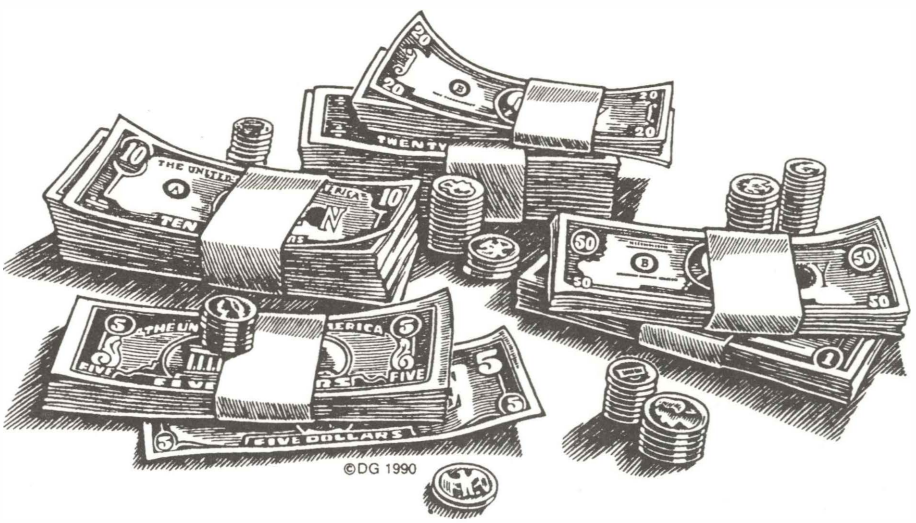
The most popular lending investments are savings or share accounts, certificates of deposit and money market deposit accounts; government securities; bonds; and life insurance.

Savings or share accounts, certificates of deposits (CDs) and money market deposit accounts.

Savings accounts at banks and share accounts at credit unions pay low interest rates, but also offer low minimum deposits liquidity (easy access). Money market deposit accounts offer check-writing privileges and liquidity, but require a minimum deposit of $2,500. CDs, with terms of one week to two-and-a-half years, carry higher interest rates but are less liquid. Most of these accounts are insured by agencies of the federal government, carrying almost no risk. Accounts at some industrial and state banks are insured by private companies and are considered to be slightly more risky.

Bonds

Besides bonds issued by the federal government, investors can purchase corporate bonds and municipal bonds. Corporations issue bonds that usually require a minimum investment of $1,000, pay a steady interest rate and mature in 10 to 30 years. Municipal bonds are issued by state or local governments and are exempt from federal income taxes. As a result, municipals usually carry lower interest rates than corporate bonds. Both types are riskier than federal bonds.



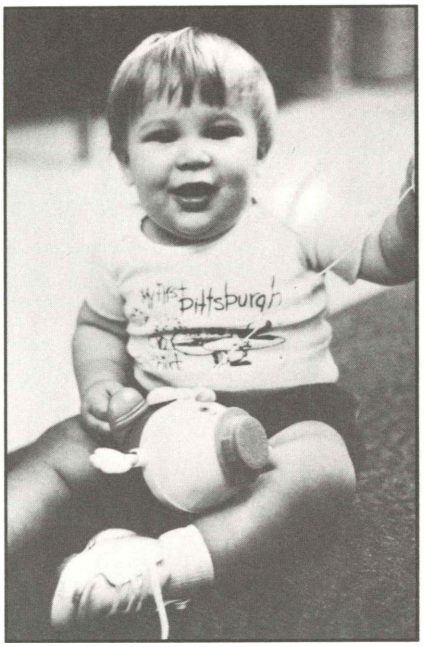
Government securities

Securities are among the safest investments available -- backed by the "full faith and credit of the U.S. government." They include savings bonds, Treasury bills, Treasury notes and Treasury bonds. Savings bonds mature in ten years, but they can be cashed in as early as six months after issue; minimum investment is $25. In contrast, Treasury bills, notes and bonds carry minimum investments of $1,000 to $10,000. Maturities range from three months to one year on Treasury bills, one to five years on Treasury notes, and 5 to 40 years on Treasury bonds. Because these investments carry less risk, they also have lower yields.

Life insurance

Term insurance is pure insurance, with no investment properties. Whole life, on the other hand, has long been an important part of many portfolios. New varieties of insurance, such as universal life and variable life, mean even more attractive options are available for investors.

*Dave Dunnewald is the financial relations manager in the Corporate Communications department of Adolph Coors Company, which publishes FLITE, a weekly economic newsletter.



BCBSF Sponsors TV Series

By Daty Logan Montgomery, Public Relations Intern

Blue Cross and Blue Shield of Florida will sponsor the 10-part television series "Raising America's Children." The series, written by educators Dr. Thelma Harms and Debby Cryer, explores the early years from birth through kindergarten, and focuses on what children need in order to develop to their full potential. "Raising America's Children" provides helpful information for parents, teachers and caregivers, and covers a wide variety of topics, from the importance of play to coping with stress.

The first episode airs Sunday, April 8 at 7:30 p.m. on Channel 7 (PBS). Subsequent shows air every Sunday at the same time for ten consecutive weeks with one exception: WJCT's "Furniture Fair" preempts the series on Sunday, April 22.

Repeat broadcasts will be shown every Wednesday at 5 p.m. from April 11 through June 13. For more information, call 353-7770.

Babies & You

Dr. Pito Rivera announced that BCBSF has adopted the March of Dimes' "Babies and You," a work-site prenatal education program for employers and employees. "Our employees are our most valuable resource, and we want those who are planning to have children to have the very best prenatal education we can offer," said Rivera.

"Babies and You" addresses concerns of prospective parents, pregnant employees, their families and co-workers. The program helps save health insurance dollars, reduce sick days and retain valued employees by educating employees about the factors that can influence pregnancy and the birth of a healthy baby -- especially the dangers of smoking and the value of early and regular prenatal care.

The U.S. rate of infant mortality exceeds that of 18 other countries. Nationally, more than ten babies die for every 1,000 live births -- or nearly 40,000 infant deaths each years.

Among the black population, the infant mortality rate is almost twice the national average -- 18 babies die for every 1,000 births. In inner cities and in rural areas, especially in the South, the rate of infant death is higher than in many developing countries.

Low birthweight is related to 70 percent of the infant deaths. It affects one in every 15 babies born each year. Babies who weigh less than 5 pounds, 8 ounces at birth are considered low birthweight babies. Those weighing less than 3 pounds, 5 ounces are considered very low birthweight.

Rivera explained that Blue Cross and Blue Shield of Florida sees the issue of low birth weight from two perspectives -- as the third largest employer in Jacksonville and as the largest health insurance company in the state. He encouraged other businesses in Jacksonville to offer the program to their employees.

Doug Green, employee medical services consultant, says the program will begin at BCBSF in late April. A series of nine brown-bag lunches will be conducted in two sites -- the Riverside home office and Deerwood. The seminars will first be conducted in Riverside, then repeated in Deerwood the next week, for a total of 18 weeks. The nine topics are: The ABCs of healthy childbearing; the role of genetics, eating for two, the danger of substance abuse, healthy familes, fitness for two, coping with stress, children having children and pregnancy after 35.

March of Dimes' personnel will conduct the workshops initially, says Green. Eventually, the "Babies and You" program will be available to BCBSF employees statewide.

HEALTH

Combating fatigue during pregnancy

- Prioritize your work commitments and eliminate any that aren't essential.
- Use part of your lunch hour to rest, or take a nap when you get home from work.
- Pack a high-energy snack, such as a hard-boiled egg or fruit with yogurt and wheat germ, to get you through the mid-afternoon slump.
- Take short stretch breaks as often as every half hour to increase overall circulation.
- Open a window or go outdoors briefly to get fresh air.
- Go to bed early and try to get eight hours of sleep a night.

Source: March of Dimes Birth Defects Foundation, "Babies and You."

An Emphasis On Support

By Michael Carroll, project manager of Customer Support

L-R: Ruth Pentenburg, Janice Godfrey, Richard Harp, Warner Hull, Kathy Gorham, Michael Carroll, Richard Towery.

Most of you know whom to call when your computer's acting up -- the Help Desk of the Information Operations department in the Information Services and Operations (IS&O) division. But you may not know that in the past seven months, the Help Desk has been improved to provide superior customer service to everyone in the company who uses a CRT or a telephone or needs access to information -- just about everyone at BCBSF.

The Technical Services unit reassigned technical staff and set up a subunit specifically for customer support. We recently revised our schedule to efficiently handle the volume of inquiries we receive -- currently ranging from 250 to 300 calls a day -- any time day or night through a three-level support center concept.

When you first call the Help Desk with a problem, one of our customer support representatives will talk to you to find out what your CRT address is, what network you're using, what transactions you are attempting, and what the error messages are. When we determine that information, we create a "problem ticket" that helps us keep track of the problem-solving process.

We've built up a data base of all problems and solutions. Using this data base and other resources, we can answer 80 percent of the questions when you first call.

If the problem can't be solved right away, it is assigned a severity code and given to the next level of support, Level Two.

The people in the Level Two Support group are specialists in particular areas, for example, technical services, telecommunications, systems and programming, security administration and data base administration.

Our specialists work on the problem until it's resolved, and then they write a detailed report of how they solved the problem. Their report is entered into the problem tracking data base, and the problem is returned to the Help Desk for "closing ." Closing involves reviewing the resolution and explaning to you how the problem was fixed.

When a problem requires additional equipment or techncial assistance from the manufacturer or vendor, it's considered a Level Three problem. Those kinds of problems usually take longer to solve. Fortunately, most of the situations can be handled by our specialists.

IS&O supports and maintains diverse and complex information processing tools. In addition to the terminals, mainframes, personal computers and data networks we all use, IS&O is using more "fourth-generation" languages like SAS and FOCUS (user-friendly programs that enable employees to work more efficiently.) We're also developing specialized work stations and local area networks.

As BCBSF continues to grow, it becomes increasingly important that we all understand not only what equipment is available, but also how to use it efficiently. Using our information processing tools wisely will help the company maintain its competitive advantage.

If you have any questions about IS&O's Customer Support Help Desk, call me at 791-6447.

To call the Help Desk, the in-house number is 273000. The local number is 791-9880 and the WATS number is (800) 888-9880.

New Program In Orlando

By Frank Dorman

The Payment for Professional Services (PPS) program begins in early May in the Orlando area. PPS is the second of two programs to lower health care costs for BCBSF's traditional insurance policyholders.

Updating the current traditional program, PPS offers customers protection from balance billing, limited involvement in claims filing, and continued access to a broad-based network of health care professionals.

What questions or concerns do you have regarding:

1) The move of the Private Business work force to Freedom Commerce Center?

2) The move of Government Programs to the Tower Complex?

Your responses will be forwarded to the Relocation Work Group.

RETURN YOUR COMMENTS,
QUESTIONS AND SUGGESTIONS
TO
PROFILE
C/O PUBLIC RELATIONS, 3C,
532 RIVERSIDE AVENUE,
JACKSONVILLE, FL 32202
OR CALL 791-6329.

PPS complements the year-old Payment for Hospital Services (PHS) program, which increases BCBSF's control over most inpatient services in participating acute care hospitals.

"Combined with PHS, the PPS program will enhance the attractiveness of our traditional products and provide us with a competitive advantage in this market," said Tom Stanley, vice president of Cost Containment and PPS program officer.

PPS offers participating professionals an opportunity to maintain patient volume, and it affords BCBSF more control over the price and use of medical services. This is significant, because physicians determine 70 to 90 percent of BCBSF's total payout, both for their services and for their referrals to hospitals and other providers.

The PPS contract requires participating professionals to accept BCBSF's allowance as full payment, and to submit claims for patients. It establishes Maximum Allowable Payment (MAP) as a physician payment method in order to create more geographically specific physician allowances; BCBSF will allow the lower of billed charges or MAP.

MAP and selective recruitment of professionals will help to position the Plan as a prudent purchaser of services for traditional customers, supporting BCBSF's transition from a financial intermediary to a health care management company.

The program will enable BCBSF to audit professionals' records, and it will obligate participating professionals to cooperate with the Plan's utilization management programs. PPS participation will be a prerequisite for participation in Health Options and Preferred Patient Care.

"We are pleased to be the first region to implement PPS," said Peter Burchett, regional vice president for central Florida. "This program will give us more control over claims costs, make our traditional and point-of-service products more competitive, and enhance our service to customers."

PPS is being introduced in Orange, Osceola and Seminole counties. The results of its implementation effort will be evaluated as PPS is expanded to other regions.

PPS initially will recruit medical doctors, doctors of osteopathy, chiropractors, psychologists, podiatrists and oral surgeons, concentrating on professionals who currently participate in the Plan's HMO and PPO networks.

PPS will affect all local traditional business, except a small number of indemnity contracts; all National Account business that participates in the MAP program; and all out-of-network payments under PPO Point-of-Service products.

PPS does not apply to Medicare, Medicare supplemental coverage, indemnity, State Group, and HMO/PPO contracts (except for Point of Service/out-of-network).

Implementation of PPS follows months of intensive effort by members of the PPS Work Group: Barbara Benevento, Keith Coker, Rich Dahlin, Frank Dorman, Peggy DeCurtins, Gary Givens, Carl Homer, Steve Johnson, Bruce Kujawa, George Lewis, Rita Malie, Paul Monson, Jim Mose, Bob Nay, Ken Patch, Melissa Rehfus and Craig Thomas.

On The Move

By Bob Cooper

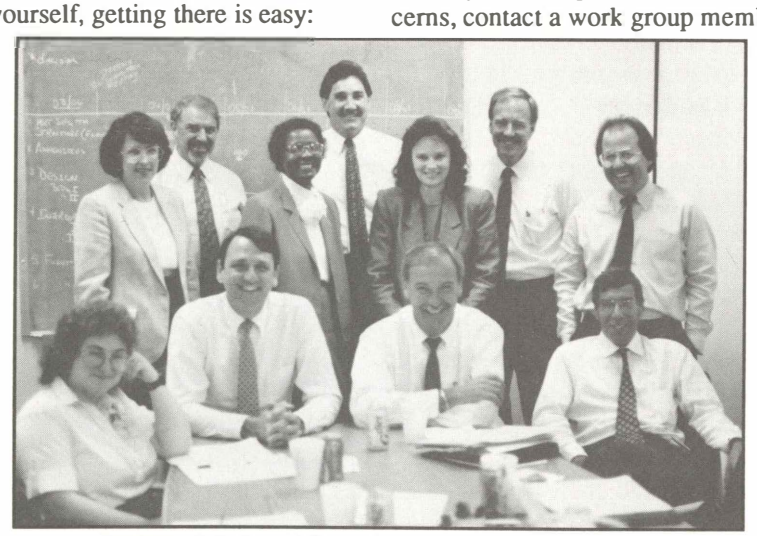
Construction is proceeding ahead of schedule at Freedom Commerce Center, site of the new facilities for the Jacksonville operations of BCBSF's Private Business work force.

If you'd like to view the progess for yourself, getting there is easy: Freedom Commerce Center is just 11.3 miles from the Riverside home office. Head south on Interstate 95, exit right on Baymeadows Road, and take a left at the first traffic light. Drive three-tenths of a mile; the buildings are on the right.

In late March, you should have received a bulletin with answers to many of your questions about the move. The workgroup that developed the bulletin for you includes Helen Applegate, Joyce Bowman, Lanny Felder, Mel Hughes, Jean Hull, Lamar James, Mike Jones, Don Lunda, Tony Penna, John Keene and Bob Cooper.

The work group meets weekly to discuss the construction progress, talk about specific questions raised by employees, and help identify which areas will be moving first in October.

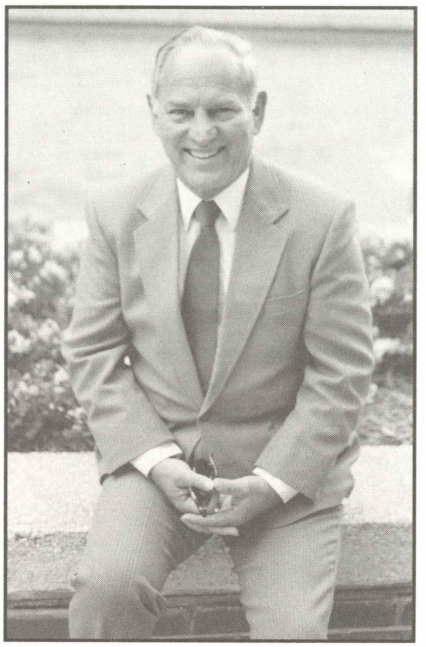
If you have questions or concerns, contact a work group member.



Back row, L-R: Jean Hull, Don Lunda, Joyce Bowman, John Keene, Helen Applegate, Bob Cooper, Lanny Felder. Front, L-R: Mel Hughes, Lamar James, Mike Jones, Tony Penna.

Too Young To Retire

By Mel Hughes,
Public Relations Technician



Two days after Christmas in 1949, Bill Snyder went to work for an insurance company called Florida Hospital Services Corporation and Florida Medical Services Corporation. He didn't know it then, but he was starting a relationship that would outlast most marriages.

"It was in a little office in downtown Jacksonville in the Buckman Building," he recalled. "I don't even know if the building still exists."

Whether or not the building still exists may be one for the trivia buffs, but the company Snyder went to work for is still around. Today it's known as Blue Cross and Blue Shield of Florida, and Bill Snyder recently celebrated his 40th anniversary in the Miami office.

Fresh from college, Snyder began as a sales representative in a small office with only a few people.

"Premiums were different, then," he said. "It was $1.80 per month for a single policy, and $4.50 for a family. Of course, pay was a lot lower, too. Standard starting pay for a rep was $3,000 a year."

A few other things have changed as well. Today, Snyder's office has over 100 employees.

Over the years, Snyder advanced from a representative to a regional manager.

"Now I'm back to being a rep," he laughed. And while it's true that he is again a representative, his job is a little different. Now he covers 14 counties for the Federal Employee Program and handles accounts such as Social Security, the railroad, and the Internal Revenue Service.

"There are three of us to cover the whole state," Snyder explained. "That's about 300,000 subscribers. We do a pretty big job; FEP's been neck and neck with State Group for number of contracts, but I think we just passed them."

Most of his time in his office in Miami is spent on the phone -- but he isn't in the office very much. "I'm constantly on the road," he said. "It's a job that thrives on physical contact. I travel about 25,000 miles a year. But it's fun. I like meeting people, dealing with them, helping them solve their problems. We have an important product here, and it really serves the people who have it."

Although "retirement" seems a dirty word to someone with a fun job, Snyder is considering it. "But I'm really too young to retire," he likes to joke.

Reflecting on his time with BCBSF, Snyder said, "It really hasn't changed that much. If you do a good job, you can still get ahead. It's a good place to work. And when it's time for me to hang up my hat, I want to be like Paul the apostle and say, 'I fought a good fight and ran a good race. Now it's time to go.'"

MANAGERS' MEMO

Picking Creative People

No reliable measure exists to picking out creative people, but you might find the acronym **TIPOFF** helpful in spotting them. Creative people tend to be:

- **Tolerant**. They tolerate ambiguity because they perform best in undefined situations. They want to create order from chaos, simplicity from the complex.
- **Independent**. They care little for making a good impression because they possess strong self-discipline and have confidence in their own standards.
- **Playful.** They enjoy playing with ideas, they like humor, and they can switch easily from fantasy to reality.
- **Original**. They produce unusual answers and interpretations.
- **Fluent**. They generate lots of ideas and do so rapidly.
- **Flexible**. They move easily and quickly from one frame of reference or one approach to another.

Source: *Managing Professional People*, by Albert Shapero; The Free Press, a division of Macmillan Publishing Co., 866 3rd Ave., New York, NY 10022.

A Penny Saved Is A Penny Earned

You might not know what the Corporate Suggestion Program is, but Bonnie Godbold does -- it earned her $1,000.

Bonnie, an 18-year veteran of BCBSF, works in the Direct Market Membership & Billing Services department. She's been a section leader there for seven years and has plenty of experience with the Regular Membership Billing System. When she figured out a way to reduce the number of transactions required to update files, she shared her idea with the managers in the department. They considered her proposal to automate a previously manual process, and realized it could save the area an estimated $17,000 annually.

Bonnie Godbold receives her $1,000 check from Don Van Dyke.

Godbold's proposal was submitted to the Corporate Suggestion Program, and eventually she was awarded the maximum prize of $1,000.

Gene Kohl, Debra Evans, Debra Richmond and Don Van Dyke.

Two other employees in Direct Membership & Billing also won $1,000. Debra Evans and Debra Richmond were awarded $500 each for a suggestion they made about a system enhancement. Their idea will save the company approximately $60,000 a year.

Penny Roush, who coordinates the Corporate Suggestion Program through Organization Training and Development (OD&T), says it's an excellent way for individuals to make a difference. The program provides non-exempt employees with an opportunity to express their ideas, identify problems and make suggestions that might help their department or the company operate more efficiently.

Generally, winning ideas are those that improve customer service, reduce costs, or eliminate potential safety hazards.

If the idea results in tangible benefits, the reward is 10 percent of the anticipated annual gross savings for the company. The minimum award is $10; the maximum is $1,000. Ideas that generate intangible savings also receive $10 awards.

Employees are encouraged to submit their ideas to Roush in OD&T on 1-Tower. She keeps their names confidential and forwards the suggestions to the appropriate department's director. The director, managers and supervisors review the suggestions and decide if they can be used. Then the divisional vice president gives final approval.

For more information about the Corporate Suggestion Program, call Penny Roush at 791-6013.

CAREER CORNER

Getting management to listen

If you want management to listen to your ideas, consider these suggestions:

- **Put yourself in the shoes of managers**. Are your thoughts significant to the concerns of management? If they aren't, don't bother suggesting them.
- **Be reliable**. Be sure your information is accurate and you have all the pertinent facts before presenting an idea to management.
- **Be organized**. Prepare a written statement that you can leave with your boss.
- **Be succinct**. The higher up the management ladder people go, the less time they have for all the ideas coming their way. Make it easy for managers to understand and react to your ideas.

Source: *Practical Supervision*, Professional Training Associates, 212 Commerce Blvd., Round Rock, TX 78664.

FOR YOUR BENEFIT

By Bev Ames

Salary Administration

Our Pay for Performance Salary Administration Program is designed to do two things:

- pay what a job is worth in our competitive labor market
- recognize and reward individual job-related performance

We evaluate each job, assign it a grade and salary range and compare it with other jobs at BCBSF and in Jacksonville to be certain that we maintain a competitive position in paying salaries.

Our Pay for Performance Salary Administration Program forms the basis for recognizing and rewarding individual levels of accomplishment. Obviously, the better you perform, the greater the pay opportunity available to you.

Q. How does the Compensation Department know what my duties are?

A. This is done with a written job questionnaire. This form is available from Compensation & Benefits on 1T. Because these questionnaires provide a record of the important facts about each job, they should be kept updated. In this way, you can be sure the questionnaire is current and that it accurately reflects the worth of your job.

Q. How is my job evaluated?

A. Once the questionnaire is received, evaluation committees comprised of specially trained management use the description to:

- determine the value of each job;
- show the relationship of one job to another;
- assign each job a point total and salary grade.

It's important to remember that in this stage of the process, no attempt is made to evaluate the person in the position or that person's performance. The committee considers only the job itself, as defined by its questionnaire.

Q. How does BCBSF determine my salary grade?

A. Salary grades are determined by the following process:

- Based on an evaluation of the level of know-how, problem solving and accountability of the job (job content), a grade level is assigned.
- Jobs are then compared on the basis of job content with other organization both locally (for non-exempt positions) and nationally (for exempt positions) to identify equitable salary ranges. Salary ranges have a **minimum** (for an entry-level position), a **midpoint** (for a seasoned, competent performer), and a **maximum** (the most BCBSF is willing to pay for this job).

Q. How is my raise determined?

A. Your performance rating, together with your present position in your salary range, will determine the size of your salary increase. It is your supervisor's responsibility to work with you to identify the expected objectives of your job and periodically review and rate your performance.

BCBSF follows this process for each job in the company. It is the foundation to a salary administration program that is competitive with the companies with whom we compare salaries. Ranges are adjusted each year so that all employees continue to be paid on a fair and competitive basis.

IN THE SPOTLIGHT

Our Caring Tradition Continues

By Daty Logan Montgomery, Public Relations intern

Blue Cross and Blue Shield of Florida is a corporate sponsor of the March of Dimes WalkAmerica campaigns in Orlando, Pensacola, Tampa, Miami, Ft. Lauderdale and Jacksonville. Our involvement is a result of our focus on preventative health care and our support of the "Babies and You" program developed by the March of Dimes.

Employees have participated in the WalkAmerica campaign since it began in Jacksonville in 1973.

Sue Keever, coordinator of the Pensacola office walk, said 75 percent of their employees plan to walk this year. "We'll walk with family members on April 21, and we plan to celebrate after the walk with a company party at the beach." Pensacola employees had a kick-off rally on March 23, Keever says, and they've really gotten involved in the campaign. "They're selling doughnuts, having bake sales and collecting spare change in jars placed next to the soft drink machines in the breakrooms. All of this enthusiasm is for the March of Dimes."

As additional proof of their enthusiasm, a BCBSF executive has pledged a dime for every dollar raised by employee volunteers in the Pensacola area.

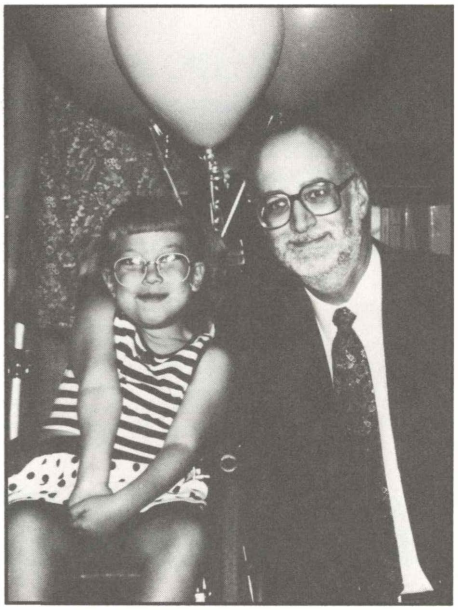
In South Florida, a challenge has been issued to Greater New York, according to the newsletter *WalkTalk*. The South Florida chapter of the March of Dimes was second last year to Greater New York. This year, South Florida is determined to be second to none.

Each regional office has ordered

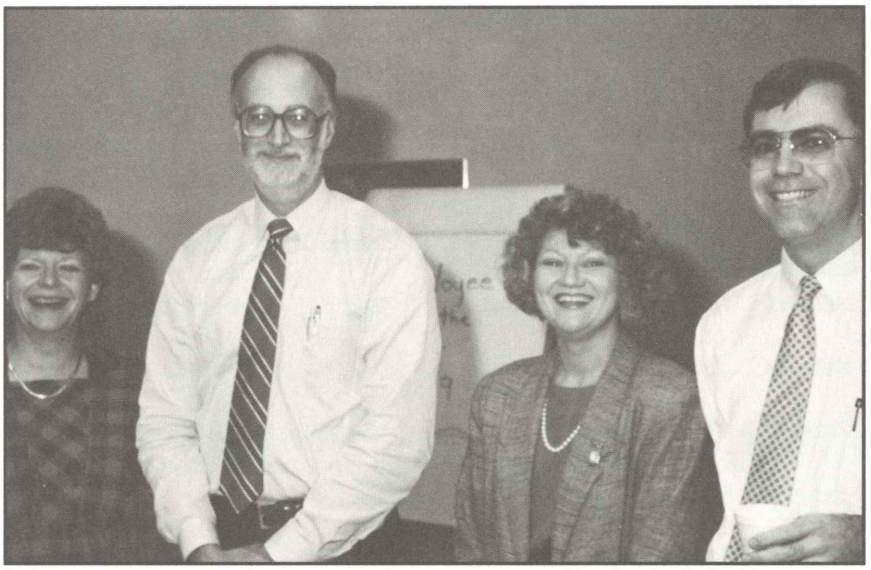
BCBSF T-shirts for participants to wear, and many have planned additional fun activities for employees to enjoy.

To get involved, contact the following regional coordinators:

- **Yolonda Hazel,** #245, for Tampa (Tampa, Clearwater, Bradenton, Plant City and St. Petersburg -- April 28)
- **Pam Stubbs,** 791-6173, for Jacksonville (April 7)
- **Reida Poe,** 1 (800) 545-6565 for Orlando (April 28)
- **Georgia Brennan,** 247, for Ft. Lauderdale (April 7)
- **Fermin Gonzalez,** 247 for Miami (April 7)
- **Sue Keever,** 484-7550, for Pensacola (April 21)



Skip Housh entertains a young friend at the Pensacola office's March 23 kickoff for the March of Dimes WalkAmerica Walkathon, scheduled for April 21. March of Dimes volunteers and programs at more than 250 chapters nationwide focus on the fight against birth defects.



L-R: runner-up Judy Wells; Northwest Regional Vice President Skip Housh; Cyndee Cason; Medical Services Director Tom Torgerson. Not pictured: runner-up Carolyn Poteat.

Responsive, Caring And Competent

Cyndee Cason, a Provider Relations Representative in the Medical Service department at the Pensacola office, was named the Northwest Region Employee of the Year for 1989. Cason has been with BCBSF since 1982.

Three accomplishments in particular earned Cason the award. She identified fraudulent billings at provider hospitals, identified OSIP overpayments statewide, recovering $36,000, and identified the unbundling of charges of a provider hospital, resulting in the current audit.

Cason's responsiveness, caring and competence have won the respect and appreciation of the local provider community.

Apparently, outstanding work runs in the family. Cyndee's son Harland was chosen as a Schroeder Scholarship recipient in 1989. He's currently working part time in the Pensacola office.

CUSTOMER SERVICE

Now showing at a VCR near you...

The Market Research department's video on customer service is available for your viewing pleasure. It intersperses footage of customers speaking candidly about what they consider "good customer service" and interviews with a number of BSBSF employees who are working to provide what the customers expect.

You may obtain a copy of the video from the Market Research department or from the Corporate Library.

If you prefer, you may contact David McCammon or Pamela Prentice, members of the Market Research department, and they will present the video and facilitate a focus group discussion on customer service at your next staff meeting or assembly.

The video runs about 11 minutes and is rated G for general audiences. For more information, call the Market Research department.

Service Anniversaries

The following employees (listed by name, work unit and location) are celebrating service anniversaries in April:

5 years

Beverly A. Ames, Compensation & Benefits, 1T
Lorense H. Blow, Jr., Systems Development, 10T
Geraldine A. Buniack, V/R, ORL
Jack E. Burns, Accounts Receivable, 11T
Joseph G. Cocke, Jr., Medical Director, ORL
Cowley Damaris, Group Sales, Dade, MIA
Janet C. Crozier, Government Programs Communications, JMA
Karen Y. Duffel, Operations/Claims/ Membership, HTM
Shreya M. Fadia, Systems Development, 10T
James J. Fesco, Computer Operations Administration, 8T
Tom J. Hadd, Data Base Administration, 10T
Nancy Hernandez, FEP Subscriber Entry, 6T
Dianne G. Mayfield, Customer Service HOSF, FTL
Virginia D. Mayo, Finance Systems Project, 12T
Veronica D. McGriff, Cost Accounting, 2C
Phillip R. Parker, Administration & Intervention, UBM
Macy J. Perry, Congressional Inquiries, 19T
Scott G. Quiett, Montreal Service Unit, RVP
Tonya M. Richardson, Medical Policy Development, UBM
Misti M. Roshto, Direct Market Oper. Support, 5C
Sheila R. Rupar, Northeast Region III, 7T
Nickolas E. Stamatogiannaki, Regional Vice President, West Coast, TAM
Rebecca A. Trautman, Medical Director, ORL
Lucy Vizcarrondo, Product & Rate Administration, 6C
Rosa L. Wright, Nasco Service Unit, RVP
Mary A. Yeomans, Central Region Major Accounts, 7T

10 years

Miriam Baldrich, Marketing Services & Administration, FTL
Dena M. Luke, Medicare A Project Manager, JMA
Eugene M. Sikes, Jr., Finance Systems Project, 12T
Penny L. Smith, Programmer Training, 9T

15 years

Deborah M. Alvis, Inpatient Benefit Section, JMA
Beverly L. Barry, PAR Administration, 3T
Patricia A. Black, Central Certification/Recproc, 6T
Kathleen B. Feierstein, HOI MIS, HTF
Sheryl E. Flemming, Bank Reconciliation, 11T
Patricia E. Hughes, M&M Delinquency, 6C,
Deborah J. Martin, Mgr. Cash Receipts and Disbursement, 11T
Doris J. Oates, Information Management, 9T
Margaret G. Shepard, Telephone Information Area II, 4T
Margaret A. Taylor, Dir. PPO Western Region, TAM

20 years

Robert L. Bowden, Computer Operations Administration, 8T
Mary L. Drust, Mgr. Telephone Communications, 15T
Shirley J. Edlin, Med A Administration, JMA
Euretha M. Thomas, Medicare B. Mail Operations, 13T
Linda R. Whidby, Inpatient/ Outpatient Proc., JMA

30 years

Carl L. Herring, Research and Development, 10C

New Employees

(Full-time employees hired through March 15, 1990)

Robert D. Adam, Engineering and Maintenance, 1N
Mary E. Ates, Medical Services, PEN
Carol A. Bailey, V/R Tri County, ORL
William L. Bland, Safety and Security, 1T
Sherri L. Campbell, Comprehensive Claims Unit II, 5T
Tod G. Carrier, Systems Development, 10T
Isabel Christopher, Utilization/ Review, MIA
Kathy J. Couturier, Medicare B Claims Examining, 14T
Janet G. Daquisto, V/R Tri County, ORL
Kimberly E. Douglas, FEP Subscriber Entry, 6T
Dee A. Dykas, Customer Service, Polk, LKD
Theresa L. Ebersole, Claims Customer Service, 4T
Marianne A. Elden, Public Relations, 3C
Winifred Fernandes, Hearing Officers-Medicare B, SWD
Rhonda L. Fingerman, Medical Brevard, ORL

Lisa D. Foggie, Dental Assistance Plan, 7T
George W. Gaff, HOI MIS, HTF
James Guillory, HOI MIS, HTF
Renee E. Heggs, Claims Customer Service, 4T
Laverne S. King, Dir Claims Entry, 5T
Darlene F. Kreiner, Dir Claims Entry, 5T
Maria T. Martinezdevilla, Customer Service HOSF, MIA
Mary Beth McPhail, Local Group Enrollment, 6C
Kathryn B. Morris, Claims Customer Service, 4T
Bradley S. Myers, Accounting-MIS PEN
Elizabeth R. Nickels, Optical Scanning Operations, SWD
Jacqueline L. Nye, Information Department, 4T
Kathleen J. O'Hare, Comprehensive Claims Unit II, 5T
Colleen P. Pappas, Customer Service, FTL
Dorothy J. Parker, Word Processing Center, FTL
Pamula D. Powell, Nat'l Accts. Customer Service, 7T
Lisa M. Sbano, Telephone Information Area II, 4T
Laurie E. Scott, Nat'l Accts. Customer Service, 7T
Mary C. Sexauer, Medical Director, JXM,
Linda A. Sharp, Utilization/Review, MIA
Linda A. Sheffield, State Group Claims-Unit I, 7C
Jane M. Tuten, Accounts Receivable, 11T
Kathryn L. Vincent, Dir Claims Entry, 5T
Pauline A. Vogel, Customer Service Department, JMA
Frances A. Watkins, Medicare B. Provider Education, RIV
Pamela L. Weil, OCL Coordination of Benefits, 6T

Say What?

By Rejeanne Davis Ashley

I admit it. I'm a corporate illiterate. What's a TGO? I don't know. Do I have a CRT? It's a mystery to me. Am I with HOJ? I couldn't say. I thought "processing out" was something Velveeta did to cheese. I never in my life "worked an issue" and the only time I ever "examined the culture" was in science lab. My "input" and my "output" are kaput. And a "bottoms-up analysis?" Isn't that what you do when your guppies die?

While my grasp of corporate culture is sadly lacking, my fascination with it is limitless. I am duly impressed when I hear my fellow employees wax poetic about their **MBOs** and their **PPOs**. I delight in the preponderance of **strategy implementation, software utilization** and **product orientation**. I jump for joy when the company creates another acronym.

OK, OK, I admit it. I hate acronyms.

I have another confession to make. Sometimes I just pretend to understand what people are saying. I nod and smile and agree, when really I'm thinking about the bowl of homemade ravioli I'm going to devour as soon as I get home. Thinking about pasta -- or any other sloppy, cheese-laden, high-calorie food -- allows me to endure just about anything.

I recommend this approach to any other closet corporate illiterates (CCIs), but only to buy some time.

I have a hunch there are other CCIs at BCBSF. Am I right? Here's my plan: If there are enough of us, I recommend we **schedule a meeting, formulate an agenda, implement a strategy, organize a work group** and **engage the organization** in a new **corporate objective**: clarity.

Think of it -- we could eradicate acronyms forever! Say no to **PBO**. Say goodbye to **ROI**. Say adieu to **CSU**. And while we're at it, let's eliminate more corporate phrases, like **benchmark our performance**. This is sports-related, I think. The really effective expressions in a corporation are. That's why there are more men in management positions -- most of them played football (or whatever) so the lingo and the thrill of the game are deeply ingrained. They talk like this without any perceptible effort.

Incidentally, sports spawned an astonishing variety of **verbiage** (why use a simple word when a bigger one will do?): **impact** (used as a verb); **proactive** (get it? A pro who's active?); **low-ball strategies** (needs no explanation); **defensive medicine** (as opposed to offensive medicine); and, of course, **exercising the organization**.

But I digress. I don't want to have a slew of CLs (corporate literates) sending me mean messages. Life's too short, if you **buy in** to what I'm saying. I'd rather **utilize** the time more meaningfully and **interface** with my **database.**

So I made up a little prayer to help me wait -- for the revolution and for my supper.

"Lo, though I walk through the valley of babble, I shall fear no phrases. My dictionary and my thesaurus shall comfort me. In the presence of corporate conversation, I shall confront confusion and fight for simplicity. And if all else fails, I shall think of my overflowing tortellini, for surely, if tomato sauce and Parmesan follow my every working day, I will smile and nod forever."

APRIL

Blue Cross Blue Shield of Florida

April is the month of the child. For information about special events and activities sponsored by the City of Jacksonville, call 630-3647.

April 8, 15, 29... (Jacksonville): "Raising America's Children," educational television program sponsored by BSBSF. Ten-part series begins in April, runs through June 17. Sundays at 7:30 p.m., Channel 7 (PBS). For more information, call 353-7770.

April 20, 21 (Jacksonville): "An Evening with the Phantom." Florida Theatre, 8 p.m. BCBSF, long-time supporter of the Jacksonville Symphony Orchestra, sponsors a Weekend at the Pops concert featuring the music of Andrew Lloyd Webber, conducted by Skitch Henderson. For tickets, call the JSO box office at 354-5479.

April 21 (Pensacola): WalkAmerica walkathon to benefit the March of Dimes. T-shirts and refreshments provided. For information, call Sue Keever at (904) 484-7550.

April 28 (Orlando): WalkAmerica walkathon to benefit the March of Dimes. T-shirts and refreshments provided. For information, call Reida Poe at 1 (800) 545-6565.

April 28 (Tampa, Clearwater, Bradenton, Plant City and St. Petersburg): WalkAmerica walkathon to benefit the March of Dimes. T-shirts and refreshments provided. For information, call Yolonda Hazel at 882-0632.

Coming in May:
May 1-7 (statewide): Florida Nurse Week. Weeklong ceremonies to celebrate "Nurses together in caring." For more information, contact the Florida Nurses Association or Marion D. Hamel, R.N., M.Ed. at (904) 739-4597.

May 9-11 (Jacksonville): District 5 & 6 Operations Conference, Marriott at Sawgrass. For information, call Tony Benevento at (904) 791-6587.

To publicize your department's upcoming events, please call 791-6329. The deadline for submitting information for the May calendar is April 20.

IF YOU ARE A VICTIM OF A CRIME . . .

Report the crime to the local law enforcement agency immediately to prevent others from being victimized. BUT, when you undertake this responsibility, you as a victim are entitled to certain rights.

1. A right to be treated with dignity and compassion.
2. A right to protection against intimidation from your attacker.
3. A right to information about the progress of your case.
4. A right to be informed about victim services and victim compensation laws in your community.
5. A right to equal treatment in court, such as being consulted about bail, plea bargaining, and when you will be needed to testify.
6. A right to the prompt return of your property if it is recovered by police.

TAKE ACTION: Testify in court. Join a local crime prevention organization. Talk to friends and co-workers about the crime and ask them to accompany you to court. Contact your local victim assistance program or community mental health center for help.

BE PREPARED. Talk with some people at work to get answers to the following questions:

What happens to my job if I am a victim?

Who takes care of my responsibilities?

Whom do I tell if I am a victim at work?

What are the company policies where victimized employees are concerned?

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